

# Idaho Correctional Center

Analyst: Holland-Smith

## Historical Summary

| <b>OPERATING BUDGET</b>         | <b>FY 2002<br/>Total App</b> | <b>FY 2002<br/>Actual</b> | <b>FY 2003<br/>Approp</b> | <b>FY 2004<br/>Request</b> | <b>FY 2004<br/>Gov Rec</b> |
|---------------------------------|------------------------------|---------------------------|---------------------------|----------------------------|----------------------------|
| <b>BY FUND CATEGORY</b>         |                              |                           |                           |                            |                            |
| General                         | 20,559,600                   | 20,763,300                | 20,635,400                | 23,888,100                 | 23,578,200                 |
| Dedicated                       | 0                            | 0                         | 0                         | 342,900                    | 342,900                    |
| <b>Total:</b>                   | <b>20,559,600</b>            | <b>20,763,300</b>         | <b>20,635,400</b>         | <b>24,231,000</b>          | <b>23,921,100</b>          |
| Percent Change:                 |                              | 1.0%                      | (0.6%)                    | 17.4%                      | 15.9%                      |
| <b>BY OBJECT OF EXPENDITURE</b> |                              |                           |                           |                            |                            |
| Operating Expenditures          | 19,294,600                   | 19,498,300                | 19,318,700                | 22,856,000                 | 22,546,100                 |
| Capital Outlay                  | 1,265,000                    | 1,265,000                 | 1,316,700                 | 1,375,000                  | 1,375,000                  |
| <b>Total:</b>                   | <b>20,559,600</b>            | <b>20,763,300</b>         | <b>20,635,400</b>         | <b>24,231,000</b>          | <b>23,921,100</b>          |

## Division Description

The privately operated state prison was completed in September 1999 and turned over to the Corrections Corporation of America until the state opened the prison in July 2000. The Corrections Corporation of America (CCA) was selected to design and build and operate the facility. The construction was financed with bonds through the Idaho Building Authority (IBA). Bonds were issued through the IBA, and the first of 27 payments to the IBA started in July 2000. The cost of the facility is \$49,986,944. This included all design and construction costs to provide the state with a complete, furnished facility.

The occupancy contract with CCA requires that the contractor operate the facility in conformance with department policy. CCA is also responsible to hire and train all staff necessary to operate the facility. The department is responsible to monitor and enforce the operational contract. CCA's operational contract is based on a unit cost per inmate and is for an initial three-year period.

The prison is a combination 1,272-bed medium and minimum custody institution. There are three, 128-cell housing-units for medium security inmates. Each of these cells house two inmates. There are two, 252-bed minimum security dormitory units. There are also 44 administrative segregation cells (1 inmate per cell). In addition to the housing units the new prison has a medical treatment area, laundry facility, kitchen and group dining, occupational training areas with classrooms, indoor and outdoor recreational, religious, and visiting areas, and administrative office areas.

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## Comparative Summary

| Decision Unit                         | Agency Request |                   |                   | Governor's Rec |                   |                   |
|---------------------------------------|----------------|-------------------|-------------------|----------------|-------------------|-------------------|
|                                       | FTP            | General           | Total             | FTP            | General           | Total             |
| <b>FY 2003 Original Appropriation</b> | <b>0.00</b>    | <b>20,635,400</b> | <b>20,635,400</b> | <b>0.00</b>    | <b>20,635,400</b> | <b>20,635,400</b> |
| 1. Spending for PIE Receipts          | 0.00           | 0                 | 342,900           | 0.00           | 208,300           | 551,200           |
| <b>FY 2003 Total Appropriation</b>    | <b>0.00</b>    | <b>20,635,400</b> | <b>20,978,300</b> | <b>0.00</b>    | <b>20,843,700</b> | <b>21,186,600</b> |
| Expenditure Adjustments               | 0.00           | 1,170,500         | 1,170,500         | 0.00           | 0                 | 0                 |
| <b>FY 2003 Estimated Expenditures</b> | <b>0.00</b>    | <b>21,805,900</b> | <b>22,148,800</b> | <b>0.00</b>    | <b>20,843,700</b> | <b>21,186,600</b> |
| Base Adjustments                      | 0.00           | (1,170,500)       | (1,170,500)       | 0.00           | 0                 | 0                 |
| <b>FY 2004 Base</b>                   | <b>0.00</b>    | <b>20,635,400</b> | <b>20,978,300</b> | <b>0.00</b>    | <b>20,843,700</b> | <b>21,186,600</b> |
| Nonstandard Adjustments               | 0.00           | 542,300           | 542,300           | 0.00           | 497,400           | 497,400           |
| Annualizations                        | 0.00           | 0                 | 0                 | 0.00           | 759,100           | 759,100           |
| <b>FY 2004 Program Maintenance</b>    | <b>0.00</b>    | <b>21,177,700</b> | <b>21,520,600</b> | <b>0.00</b>    | <b>22,100,200</b> | <b>22,443,100</b> |
| 1. Increase in Daily Payments         | 0.00           | 2,710,400         | 2,710,400         | 0.00           | 1,478,000         | 1,478,000         |
| <b>FY 2004 Total</b>                  | <b>0.00</b>    | <b>23,888,100</b> | <b>24,231,000</b> | <b>0.00</b>    | <b>23,578,200</b> | <b>23,921,100</b> |
| Change from Original Appropriation    | 0.00           | 3,252,700         | 3,595,600         | 0.00           | 2,942,800         | 3,285,700         |
| % Change from Original Appropriation  |                | 15.8%             | 17.4%             |                | 14.3%             | 15.9%             |

# Idaho Correctional Center

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| Budget by Decision Unit               | FTP  | General    | Dedicated | Federal | Total      |
|---------------------------------------|------|------------|-----------|---------|------------|
| <b>FY 2003 Original Appropriation</b> | 0.00 | 20,635,400 | 0         | 0       | 20,635,400 |

## 1. Spending for PIE Receipts

The department is requesting spending authority for the expected \$342,900 in Prison Industry Enhancement (PIE) receipts from inmate labor. As part of the FY 2003 Base Reduction, the department committed to reducing payments to Correctional Corporation of America by \$1,318,600 for inmate work revenue that was due to the state by contract. These savings are being accounted for as a combination of reduced payments to the contractor (reduced appropriation) and in inmate revenue to the state (increased appropriation). The revenues are subject to appropriation and cannot be used toward the Base Reduction without spending authority from the Legislature.

|                |      |   |         |   |         |
|----------------|------|---|---------|---|---------|
| Agency Request | 0.00 | 0 | 342,900 | 0 | 342,900 |
|----------------|------|---|---------|---|---------|

*The Governor's Recommendation also includes adding General Funds to offset the revenues that were not generated by PIE receipts to maintain full occupancy of the prison rather than allowing the department to transfer funding originally appropriated for county jail payments within the Operations Administration Program.*

|                           |      |         |         |   |         |
|---------------------------|------|---------|---------|---|---------|
| Governor's Recommendation | 0.00 | 208,300 | 342,900 | 0 | 551,200 |
|---------------------------|------|---------|---------|---|---------|

|                                    |      |            |         |   |            |
|------------------------------------|------|------------|---------|---|------------|
| <b>FY 2003 Total Appropriation</b> |      |            |         |   |            |
| Agency Request                     | 0.00 | 20,635,400 | 342,900 | 0 | 20,978,300 |
| Governor's Recommendation          | 0.00 | 20,843,700 | 342,900 | 0 | 21,186,600 |

## Expenditure Adjustments

Transfers funding originally provided in the Operations Administration Program for county jail payments to the privately-operated prison to increase the capacity of inmates by 264. Sixty-six inmates per month, beginning in January 2003, will be sent over a four month period to increase the capacity of the prison to 1,534 at a cost of \$963,600. An additional \$206,900 is requested for the shortfall in PIE revenue in FY 2003. This is a one-time expenditure adjustment that may be authorized by the Division of Financial Management before the end of the fiscal year.

|                |      |           |   |   |           |
|----------------|------|-----------|---|---|-----------|
| Agency Request | 0.00 | 1,170,500 | 0 | 0 | 1,170,500 |
|----------------|------|-----------|---|---|-----------|

*The Governor is recommending that this funding decision be made in the Supplemental decision unit.*

|                           |      |   |   |   |   |
|---------------------------|------|---|---|---|---|
| Governor's Recommendation | 0.00 | 0 | 0 | 0 | 0 |
|---------------------------|------|---|---|---|---|

|                                       |      |            |         |   |            |
|---------------------------------------|------|------------|---------|---|------------|
| <b>FY 2003 Estimated Expenditures</b> |      |            |         |   |            |
| Agency Request                        | 0.00 | 21,805,900 | 342,900 | 0 | 22,148,800 |
| Governor's Recommendation             | 0.00 | 20,843,700 | 342,900 | 0 | 21,186,600 |

## Base Adjustments

Transfers the one-time program transfer back to the Operations Administration Program for county jail payments.

|                |      |             |   |   |             |
|----------------|------|-------------|---|---|-------------|
| Agency Request | 0.00 | (1,170,500) | 0 | 0 | (1,170,500) |
|----------------|------|-------------|---|---|-------------|

*Not recommended by the Governor.*

|                           |      |   |   |   |   |
|---------------------------|------|---|---|---|---|
| Governor's Recommendation | 0.00 | 0 | 0 | 0 | 0 |
|---------------------------|------|---|---|---|---|

|                           |      |            |         |   |            |
|---------------------------|------|------------|---------|---|------------|
| <b>FY 2004 Base</b>       |      |            |         |   |            |
| Agency Request            | 0.00 | 20,635,400 | 342,900 | 0 | 20,978,300 |
| Governor's Recommendation | 0.00 | 20,843,700 | 342,900 | 0 | 21,186,600 |

# Idaho Correctional Center

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| Budget by Decision Unit  | FTP         | General           | Dedicated      | Federal  | Total             |
|--|-------------|-------------------|----------------|----------|-------------------|
| <b>Nonstandard Adjustments</b>   |             |                   |                |          |                   |
| Provide for the contractual per diem rate increase from \$38.71 to \$39.87 per day for inmates housed at the Idaho Correctional Center for a total increase of \$538,600 for the original 1,272 beds. A second adjustment reduces operating expenditures by \$54,600, and increases capital outlay by \$58,300 for a net increase of \$3,700 in the bond payment and interest to the Idaho Building Authority. |             |                   |                |          |                   |
| Agency Request   | 0.00        | 542,300           | 0              | 0        | 542,300           |
| <i>Governor's Recommendation</i>   | <i>0.00</i> | <i>497,400</i>    | <i>0</i>       | <i>0</i> | <i>497,400</i>    |
| <b>Annualizations</b>  |             |                   |                |          |                   |
| Agency Request   | 0.00        | 0                 | 0              | 0        | 0                 |
| <i>Annualize cost of beds funded in the Supplemental decision unit.</i>  |             |                   |                |          |                   |
| <i>Governor's Recommendation</i>   | <i>0.00</i> | <i>759,100</i>    | <i>0</i>       | <i>0</i> | <i>759,100</i>    |
| <b>FY 2004 Program Maintenance</b>   |             |                   |                |          |                   |
| Agency Request   | 0.00        | 21,177,700        | 342,900        | 0        | 21,520,600        |
| <i>Governor's Recommendation</i>   | <i>0.00</i> | <i>22,100,200</i> | <i>342,900</i> | <i>0</i> | <i>22,443,100</i> |
| <b>1. Increase in Daily Payments</b>   |             |                   |                |          |                   |
| The department is requesting an additional \$2,627,200 for the 264 inmates scheduled to be added in January 2003, and \$83,200 to pay for a projected per diem shortage in FY 2004.  |             |                   |                |          |                   |
| Agency Request   | 0.00        | 2,710,400         | 0              | 0        | 2,710,400         |
| <i>Provides funding to pay for usage of an additional 264 beds in FY 2004.</i>   |             |                   |                |          |                   |
| <i>Governor's Recommendation</i>   | <i>0.00</i> | <i>1,478,000</i>  | <i>0</i>       | <i>0</i> | <i>1,478,000</i>  |
| <b>FY 2004 Total</b>   |             |                   |                |          |                   |
| Agency Request   | 0.00        | 23,888,100        | 342,900        | 0        | 24,231,000        |
| <i>Governor's Recommendation</i>   | <i>0.00</i> | <i>23,578,200</i> | <i>342,900</i> | <i>0</i> | <i>23,921,100</i> |
| Agency Request   |             |                   |                |          |                   |
| Change from Original App   | 0.00        | 3,252,700         | 342,900        | 0        | 3,595,600         |
| % Change from Original App   |             | 15.8%             |                |          | 17.4%             |
| <i>Governor's Recommendation</i>   |             |                   |                |          |                   |
| <i>Change from Original App</i>  | <i>0.00</i> | <i>2,942,800</i>  | <i>342,900</i> | <i>0</i> | <i>3,285,700</i>  |
| <i>% Change from Original App</i>  |             | <i>14.3%</i>      |                |          | <i>15.9%</i>      |

# Idaho Correctional Center

## Issues & Information

Analyst: Holland-Smith

### FY 2003 ORIGINAL APPROPRIATION - PRISON OPERATIONS

| MONTH        | # BEDS | BASE<br>PER DIEM | ADD'I<br>PER DIEM | MONTHLY<br>COST | PIE REVENUE<br>ADJUSTMENT | ADJUSTED<br>COST |
|--------------|--------|------------------|-------------------|-----------------|---------------------------|------------------|
| June         | 1,270  | \$37.60          |                   | 1,432,560       | (109,880)                 | 1,322,680        |
| July         | 1,270  | \$38.71          |                   | 1,524,013       | (115,113)                 | 1,408,900        |
| August       | 1,270  | \$38.71          |                   | 1,524,013       | (115,113)                 | 1,408,900        |
| September    | 1,270  | \$38.71          |                   | 1,474,851       | (104,648)                 | 1,370,203        |
| October      | 1,270  | \$38.71          |                   | 1,524,013       | (115,113)                 | 1,408,900        |
| November     | 1,270  | \$38.71          |                   | 1,474,851       | (99,416)                  | 1,375,435        |
| December     | 1,270  | \$38.71          |                   | 1,524,013       | (109,880)                 | 1,414,133        |
| January      | 1,270  | \$38.71          |                   | 1,524,013       | (115,113)                 | 1,408,900        |
| February     | 1,270  | \$38.71          |                   | 1,376,528       | (99,416)                  | 1,277,112        |
| March        | 1,270  | \$38.71          |                   | 1,524,013       | (109,880)                 | 1,414,133        |
| April        | 1,270  | \$38.71          |                   | 1,474,851       | (115,113)                 | 1,359,738        |
| May          | 1,270  | \$38.71          |                   | 1,524,013       | (109,880)                 | 1,414,133        |
| <b>Total</b> |        |                  |                   | 17,901,730      | (1,318,565)               | 16,583,165       |

### FY 2003 TOTAL BUDGET REQUEST - PRISON OPERATIONS

| MONTH        | # BEDS | BASE<br>PER DIEM | ADD'I<br>PER DIEM | MONTHLY<br>COST | PIE REVENUE<br>PENALTY ADJ. | ADJUSTED<br>COST |
|--------------|--------|------------------|-------------------|-----------------|-----------------------------|------------------|
| June*        | 1,273  | \$34.92          |                   | 1,333,062       | 0                           | 1,333,062        |
| July *       | 1,253  | \$38.71          |                   | 1,503,806       | 0                           | 1,503,806        |
| August*      | 1,270  | \$38.71          |                   | 1,523,316       | (84,975)                    | 1,438,341        |
| September    | 1,269  | \$38.71          |                   | 1,473,186       | (77,250)                    | 1,395,936        |
| October      | 1,270  | \$38.71          |                   | 1,524,013       | (84,975)                    | 1,439,038        |
| November     | 1,270  | \$38.71          |                   | 1,474,851       | (73,388)                    | 1,401,463        |
| December     | 1,336  | \$38.71          | \$26.79           | 1,578,825       | (107,879)                   | 1,470,946        |
| January      | 1,402  | \$38.71          | \$26.79           | 1,633,637       | (107,879)                   | 1,525,758        |
| February     | 1,468  | \$38.71          | \$26.79           | 1,525,051       | (97,501)                    | 1,427,550        |
| March        | 1,534  | \$38.71          | \$26.79           | 1,743,262       | (107,878)                   | 1,635,384        |
| April        | 1,534  | \$38.71          | \$26.79           | 1,687,028       | (107,639)                   | 1,579,389        |
| May          | 1,534  | \$38.71          | \$26.79           | 1,743,262       | (107,879)                   | 1,635,383        |
| <b>Total</b> |        |                  |                   | 18,743,299      | (957,243)                   | 17,786,056       |

\* Actual expenditures

### FY 2003 GOVERNOR'S RECOMMENDATION - PRISON OPERATIONS

| MONTH        | # BEDS | BASE<br>PER DIEM | MONTHLY<br>COST | FY 2003 GOV'S<br>RECOMMEND. |              |
|--------------|--------|------------------|-----------------|-----------------------------|--------------|
| June*        | 1,276  | \$34.92          | \$1,336,738     | Original Appr.              | \$16,583,100 |
| July *       | 1,253  | \$38.71          | 1,503,613       | Penalties                   | 351,600      |
| August*      | 1,271  | \$38.71          | 1,525,213       | PIE Revenue Adj.            | 342,900      |
| September*   | 1,270  | \$38.71          | 1,474,851       | General Funds               | 208,300      |
| October*     | 1,290  | \$38.71          | 1,548,013       | Total                       | \$17,485,900 |
| November*    | 1,270  | \$38.71          | 1,474,851       |                             |              |
| December*    | 1,266  | \$38.71          | 1,519,213       |                             |              |
| January      | 1,272  | \$37.00          | 1,457,323       |                             |              |
| February     | 1,272  | \$37.00          | 1,316,292       |                             |              |
| March        | 1,272  | \$37.00          | 1,457,323       |                             |              |
| April        | 1,272  | \$37.00          | 1,410,313       |                             |              |
| May          | 1,272  | \$37.00          | 1,457,323       |                             |              |
| <b>Total</b> |        |                  | \$17,481,064    |                             |              |

\* Actual expenditures

# Idaho Correctional Center

## Issues & Information

Analyst: Holland-Smith

### FY 2004 TOTAL BUDGET REQUEST - PRISON OPERATIONS

| MONTH     | # BEDS | BASE<br>PER DIEM | MONTHLY<br>COST | # BEDS | ADD'L<br>PER DIEM | MONTHLY<br>COST | TOTAL<br>COST |
|-----------|--------|------------------|-----------------|--------|-------------------|-----------------|---------------|
| June      | 1,270  | \$38.71          | 1,474,851       | 264    | \$26.79           | 212,177         | 1,687,028     |
| July      | 1,270  | \$39.87          | 1,569,682       | 264    | \$26.79           | 219,249         | 1,788,931     |
| August    | 1,270  | \$39.87          | 1,569,682       | 264    | \$26.79           | 219,249         | 1,788,931     |
| September | 1,270  | \$39.87          | 1,519,047       | 264    | \$26.79           | 212,177         | 1,731,224     |
| October   | 1,270  | \$39.87          | 1,569,682       | 264    | \$26.79           | 219,249         | 1,788,931     |
| November  | 1,270  | \$39.87          | 1,519,047       | 264    | \$26.79           | 212,177         | 1,731,224     |
| December  | 1,270  | \$39.87          | 1,569,682       | 264    | \$27.59           | 225,797         | 1,795,478     |
| January   | 1,270  | \$39.87          | 1,569,682       | 264    | \$27.59           | 225,797         | 1,795,478     |
| February  | 1,270  | \$39.87          | 1,468,412       | 264    | \$27.59           | 211,229         | 1,679,641     |
| March     | 1,270  | \$39.87          | 1,569,682       | 264    | \$27.59           | 225,797         | 1,795,478     |
| April     | 1,270  | \$39.87          | 1,519,047       | 264    | \$27.59           | 218,513         | 1,737,560     |
| May       | 1,270  | \$39.87          | 1,569,682       | 264    | \$27.59           | 225,797         | 1,795,478     |
| Subtotal  |        |                  | 18,488,177      |        |                   | 2,627,207       | 21,115,384    |

PIE Revenue Adjustment

**Total**

FY 2004 BUDGET BASE

NonStandard Adjustment: Contract Inflation

Enhancement: Increase Daily Payments

**Total**

### FY 2004 GOVERNOR'S RECOMMENDATION - PRISON OPERATIONS

| MONTH        | # BEDS | BASE<br>PER DIEM | MONTHLY<br>COST | # BEDS | ADD'L<br>PER DIEM | MONTHLY<br>COST | TOTAL<br>COST |
|--------------|--------|------------------|-----------------|--------|-------------------|-----------------|---------------|
| June         | 1,270  | \$37.00          | 1,410,313       | 0      | \$26.79           | 0               | 1,410,313     |
| July         | 1,272  | \$38.16          | 1,504,725       | 98     | \$27.68           | 84,092          | 1,588,817     |
| August       | 1,272  | \$38.16          | 1,504,725       | 198    | \$27.68           | 169,900         | 1,674,625     |
| September    | 1,272  | \$38.16          | 1,456,186       | 198    | \$27.68           | 164,419         | 1,620,605     |
| October      | 1,272  | \$38.16          | 1,504,725       | 264    | \$27.68           | 226,533         | 1,731,258     |
| November     | 1,272  | \$38.16          | 1,456,186       | 264    | \$27.68           | 219,226         | 1,675,411     |
| December     | 1,272  | \$38.16          | 1,504,725       | 264    | \$27.68           | 226,533         | 1,731,258     |
| January      | 1,272  | \$38.16          | 1,504,725       | 264    | \$27.68           | 226,533         | 1,731,258     |
| February     | 1,272  | \$38.16          | 1,359,107       | 264    | \$27.68           | 204,611         | 1,563,717     |
| March        | 1,272  | \$38.16          | 1,504,725       | 264    | \$27.68           | 226,533         | 1,731,258     |
| April        | 1,272  | \$38.16          | 1,456,186       | 264    | \$27.68           | 219,226         | 1,675,411     |
| May          | 1,272  | \$38.16          | 1,504,725       | 264    | \$27.68           | 226,533         | 1,731,258     |
| <b>Total</b> |        |                  | 17,671,052      |        |                   | 2,194,138       | \$19,865,190  |

FY 2004 BUDGET BASE

PIE Revenue Adjustment

NonStandard Adjustment: Contract Inflation

Annulization: 264 Bed Increase

Enhancement: Increase Daily Payments

**Total**

### BOND PAYMENT HISTORY

| Fiscal Year          | Operating<br>Expenditures | Capital<br>Outlay |   | Total<br>Approp. | Actual<br>Payment | Difference |
|----------------------|---------------------------|-------------------|---|------------------|-------------------|------------|
| 2001                 | 630,400                   | 813,500           | = | \$1,443,900      | 1,308,928         | \$134,972  |
| 2002                 | 2,787,300                 | 1,265,000         | = | \$4,052,300      | 3,999,550         | \$52,750   |
| 2003                 | 2,735,600                 | 1,316,700         | = | \$4,052,300      | 4,019,878         | \$32,422   |
| 2004 Governor's Rec. | 2,681,000                 | 1,375,000         | = | \$4,056,000      |                   |            |